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March 1, 2012

Director John R. Baza
Hearing Officer
Utah Division of Oil, Gas and Mining
1594 West North Temple
Salt Lake City, Utah 84116

**RE: *Red Leaf Resources, Inc.'s ("RLR") Reply to Western Resource Advocate's ("WRA")
Letter Dated February 29, 2012***

Dear Director Baza:

We have reviewed WRA's letter dated February 29, 2012. Although RLR disputes the accuracy of several points set forth in the letter, WRA has raised no new substantive issues that require formal response. RLR's Notice of Intent for the Southwest #1 Mine ("NOI") meets all of the requirements of the Minerals Program. We request the Division to finally approve the NOI on the terms and conditions set forth in the Tentative Conditional Approval dated October 20, 2011.

On December 21, 2011 RLR addressed the conditions of the tentative decision by amending the NOI to include the Groundwater Discharge Permit Application which is pending before the Utah Division of Water Quality ("DWQ"). RLR will advise the Division of Oil, Gas & Mining should DWQ require additional monitoring beyond that required in the approved NOI.

We appreciate your consideration in this matter.

Very truly yours,



Denise A. Dragoo

DD:crm

cc: Dr. Laura Nelson
 Lance Lehnhof, Esq.
 Rob Dubuc, Esq.
 Steve Alder, Esq.
 Emily Lewis, Esq.

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